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# State of Utah Department of Commerce Division of Public Utilities

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## To: Public Service Commission

From: Division of Public Utilities Chris Parker, Director Energy Section Artie Powell, Manager Doug Wheelwright, Technical Consultant Eric Orton, Utility Analyst

ACTION REQUEST RESPONSE

Date: August 12, 2015

Subject: Amended Action Request in Docket 15-031-T03, Mt Wheeler Power Co. Inc.

### RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) acknowledge the changes to the Mt. Wheeler Power Co. Inc. (Mt. Wheeler) tariff with an effective date of July 14, 2015.

#### BACKGROUND

In the June 16, 2015 board meeting the first reading of the new rule was tentatively approved and the Mt Wheeler board gave final approval at the second reading held on July 14, 2015. Mt. Wheeler's customers were notified through internet, email, and direct mail of the proposed rule change. On July 14, 2015, Mt. Wheeler submitted the tariff change to the Commission for acknowledgement. On July 28, 2015, the Commission issued an Action Request and then an



Amended Action Request to the Division directing it to perform an investigation. This is the Division's response to that Action Request.

#### ISSUE

Mt Wheeler is changing the time the Off-Peak summer rates are available. The rates themselves do not change, only the time period when they are available. Three rates are affected by this change. They are: "I-OP" Irrigation Service Off-Peak," LGS-OP" Large General Service Off-Peak, and "LGS-IOP" Large General Service Industrial Off-Peak. The time when the summer Off-Peak rate is available is changing as follows:

|           | Old Time           | New Time           |
|-----------|--------------------|--------------------|
| May       | 10:30 pm – 6:00 am | 11:00 pm – 7:00 am |
| June      | 11:00 pm – 6:30 am | 11:00 pm – 7:00 am |
| July-Sept | 11:00 pm – 7:30 am | 11:00 pm – 7:00 am |

#### DISCUSSION

The Division has reviewed Mt Wheeler's filing, attached tariff sheets and has spoken with a Mt Wheeler representative. The new tariff sheets offered with this filing show a slightly longer time period for customers to take advantage of Off-Peak rates.

The dates on this filing are unusual. This change was approved by Mt Wheeler's board the same day that the Commission was notified and they became effective. According to Utah Code (54-3-3) and Commission Rule (R 746-405-2-E.2) the effective date of tariff changes should be no sooner than 30 days after the date that notice is filed with the Commission. The proposed changes should have been filed with the Commission no sooner than 30 days before the effective date on the tariff. This did not happen with this filing. However, after talking with a representative from Mt Wheeler and discovering that there is only one customer on this rate, and that the customer is in Nevada, the default is that the Mt Wheeler customers in Utah are given some notice of the changes and should not be adversely effected by this oversight. Therefore,

given the unique circumstances of this filing the Division is of the opinion that if Mt Wheeler had filed 30 days before the proposed rate change went into effect, it would not have had a material change on its Utah customers.

Also, generally speaking, there is now more time that Off-Peak rates are available to customers than there was in the old tariff. This might encourage industrial customers to alter their usage patterns to Off-Peak times thus decreasing the On-Peak demand on Mt Wheeler's system. There is currently only one customer in Nevada that is using these Off-Peak rates and there were no other proposed changes made to Mt Wheeler's Utah tariff.

#### CONCLUSION

The Division recommends the Commission acknowledge the changes to Mt. Wheeler's Tariff change with an effective date of July 14, 2015 and make them available for public inspection.

 CC: Randy Ewell, General Manager, Mt. Wheeler Power Co. Maria Wright, Division of Public Utilities
Mike Peterson, Director Utah Rural Electric Association
Michele Beck, Office of Consumer Services